

S/015/0083
Red Chief



State of Utah
School & Institutional
Trust Lands Administration

FAX # (801) - 355 - 0922

TO Wayne Western DATE _____
FAX # 801-359-3940 PHONE _____

FROM John Blake

For _____

OF PAGES INCLUDING THIS SHEET 3

COMMENTS Quality B.S. Red Chief Mine

675 EAST 500 SOUTH, STE. 500 - SALT LAKE CITY UT 84102 - (801) 538-5100

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**School and Institutional Trust Lands Administration
Contract Serial Register Page For ML 49590.0MP**

3/3/2010

*S/015/0083
Red Chief*

Type of Lease: MINERALS MATERIALS PERMIT Application Number: ML 49590. MP
Description:

Applicant: QUALITY BUILDING STONE, INC.

Date Accepted: Status: Expired

Date Approved: 01/07/2005

Term 5 years

Date Cancelled: 02/01/2010

Start Date: 02/01/2005 End Date: 01/31/2010

Participant List

Interest Type 1

RECORD TITLE

INITIAL RECORD TITLE

COMPANY CID: 27262 QUALITY BUILDING STONE, INC. (801) 255-2911 Lessee Interest: 100.00
2 993 W. 14730 SO., BLUFFDALE, UT, UT USA 84065

Total Interest for interest type 1 100.00

Description of Land:

TRS	County	Sec	Description	Bene	Type	Layer	Acres
T19S R10E SL	Emery	16	NW4NE4, NE4NW4	SCH	Use	OthM	80.00
Total Acres:							80.00

Billing Parameters:

Billing Type	Billing Frequency	Payment Due Date	Amt Per Unit	Nbr Of Units	Amount Billed	Billing Notice Flag	Manual Comp Flag
Prepare billing	Annually	02/01/2010	10.00	80	800.00	Prepare billing	No

Beneficiary Interest:

Revenue Type	Basis of Computation	Beneficiary	Percent	Acres
0	Acres	School	100.00	80.00
Total:			100.00	80.00

Comments:

Date

01/07/2005

Approved as follows: Commodity: Sandstone; Annual Rental: \$10/acre; Production Royalty: 10% of gross value, f.o.b. mine, but not less than \$10/ton; Primary Term: 5 years; Expiration Date: 12/31/10 (CD #282 in amount of \$2,000 is being held for reclamation and royalty payments under expired permit ML 48638-MP)

01/20/2010

The GIS group has reviewed this Contract 01/20/10 for an upcoming Expiration/Renewal. The legal description looks great. KAS

02/01/2010

EXPIRED 1/31/10

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S1015/0083

Red Chief

February 1, 2010

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MINERAL ACTIONS

APPROVAL OF APPLICATION FOR MINERAL MATERIALS PERMIT FOR CLAY MINERALS (SCH)

The following-described application was received for the issuance of a Mineral Materials Permit to mine Clay Minerals from trust lands near Gold Hill, in Tooele County. The materials will be used in the construction of a test heap-leach pad for a metalliferous minerals mill site. The construction project will take no longer than one year to complete and will be performed in conjunction with DOGM Mining Permit #M/045/0049, also associated with the applicant. The applicant is registered with the Division of Corporations and is qualified to do business in the State of Utah. The lands in the application have been checked by the Minerals Group and are found to be open and available for the issuance of the permit. Current land use includes Mineral Lease ML 49282-MM, which is also associated with the applicant. The applicant submitted the required \$100 filing fee, in addition to annual rental of \$10 per acre, along with the application. The permit administrator has had this legal description reviewed by the GIS Group.

ML 51712-MP

Desert Hawk Gold Corp.
8921 N. Indian Trail Rd., Suite No. 288
Spokane, WA 99208

T7S, R18W, SLB&MSEC. 36: LOT 1 (aka NE $\frac{1}{4}$ NE $\frac{1}{4}$)

Tooele

39.78 acres

Mineral Materials Commodity:

Clay Minerals

Term of Permit:

1 Year from Effective Date of Permit

Production Royalty Required:

10% G.V. f.o.b. mine, but not less than \$1/ton

Upon recommendation of Mr. Blake, the Director approved the above-listed application.

EXPIRATION OF MINERAL MATERIALS PERMITS

The following Mineral Materials Permits for harvesting of building stone reached the end of their term on January 31, 2010, and are expired. The Permittees no longer have any rights to mine or remove the permitted substances from the permitted lands. In the case of ML 49590-MP, however, the Permittee should be allowed continued access, at Permittee's sole risk, for purposes of performing reclamation only as required under DOGM Small Mine Permit #S/015/083. The lease administrator has had the following legal descriptions reviewed by the GIS Group.

ML 49590-MP (Sandstone) (SCH)

Quality Building Stone, Inc.
993 W. 14730 So.
Bluffdale, UT 84065

T19S, R10E, SLB&MSEC. 16: NE $\frac{1}{4}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ NE $\frac{1}{4}$

Emery

80.00 acres

ML 50581-MP (Quartzite Rubble) (SCH)

Cheyenne Stone Supply
4932 W. Morning Laurel Lane
West Jordan, UT 84088

T7S, R1W, SLB&M

SEC. 12: LOTS 10, 11

Utah

80.00 acres

This item was submitted by Mr. Blake for record-keeping purposes only.

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